

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE

Call to Order: By **CHAIRMAN JEFF PATTISON**, on February 3, 2003 at
8 A.M., in Room 317-C Capitol.

ROLL CALL

Members Present:

Rep. Jeff Pattison, Chairman (R)
Sen. Bill Tash, Vice Chairman (R)
Rep. John Musgrove (D)
Sen. Linda Nelson (D)
Rep. Rick Ripley (R)

Members Excused: Sen. Edward Butcher (R)
Sen. Debbie Shea (D)

Members Absent: None.

Staff Present: Kelly Gorin, OBPP
Gary Hamel, Legislative Branch
Elaine Olsen, Committee Secretary
Doug Schmitz, OBPP

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape stamp refers to the material which follows.

Committee Business Summary:

Hearing & Date Posted:

Executive Action: Fish Wildlife and Parks Budget

All votes are voice votes unless otherwise indicated.

{Tape: 1; Side: A; Approx. Time Counter: 1 - 15}

Gary Hamel said that if the Committee does not want to approve the decision packages (DPs) proposed by the Department of Fish Wildlife and Parks (FWP) on internal rates for vehicles, they could move to disapprove them. Then, if the Committee wishes to revisit the warehouse rate adjustment, they could move to accept the proposed rate of \$0.05 which would be lower than the current of \$0.14.

SEN. SHEA asked how the Department would absorb the reduction in the warehouse proprietary rate from \$0.14 to \$0.05. **Gary Hamel** said that those rates were increased last session because of some audit issues. **Director Jeff Hagener, FWP**, said that proprietary rates are internal rates used to run the Department's vehicle fleet and warehouse. The rates were adjusted to bring them into line with an audit and are now being increased to return them to an acceptable current level.

SEN. NELSON said that she would be willing to make the motion to go along with the rates as proposed. **Gary Hamel** said that because the Committee did not accept the vehicle rates, the DPs would not be necessary. Secondly, the warehouse rates could be accepted at the proposed lower rate. **Gary Hamel** directed the Committee members to page C20 and C11 in the Budget Book.

Dan Ellison, Chief of Administration and Finance, FWP, said the Department is reducing 15 classes of vehicles to six. The proposed rates are commensurate with those discussed with the Legislative Auditor in an effort to get the rates in line. The funds do not make a profit. They operate to issue uniforms, check out vehicles and to recoup costs from those kinds of activities. The balance is maintained to have 60 days of operating costs. The Committee could revisit the rates that were not approved earlier.

EXHIBIT (jnh23a01)

EXHIBIT (jnh23a02)

CHAIRMAN PATTISON said that it appeared that by 2005 the rate would increase by about nine percent. **Dan Ellison** said the Department had proposed a six percent and a nine percent increase for vehicles in FY04 and FY05 respectively, based on actual costs, and is managing the fund closer to a zero net balance.

{Tape: 1; Side: A; Approx. Time Counter: 15 - 20}

Motion/Vote: REP. RIPLEY moved TO ACCEPT THE DEPARTMENT'S PROPOSED PROPRIETARY RATES FOR THE WAREHOUSE DO PASS. Motion carried unanimously.

Gary Hamel said that if the Committee wishes to accept the Department's proposed rate increases of six percent in FY04 and nine percent in FY05, then the motion could be made to accept the Department's proposed rate increases. The DPs could stand alone as passed. If the Committee does not want to accept the rate increases, then the Committee should revisit the original DPs.

REP. RIPLEY asked what the auditor recommended. **Dan Ellison** said the proposed rates were coordinated very closely with the auditor. The proposed rates are adjusted annually to reflect actual costs in an effort to keep the fund balance as close to zero as possible.

REP. RIPLEY said that this effort appears to be a guess to try to be where the auditor wants. **CHAIRMAN PATTISON** suggested delaying the vote until the Committee has an opportunity to review the audit.

DP407

Gary Hamel began the DPs for the Enforcement Division with DP407, the County Water Safety Program. The executive budget includes a request for funding for a program to help counties increase their boating and water safety enforcement efforts. Funding is from matching federal funds from the State Recreational Boating Act administered by United States Coast Guard(USCG). The decision package is funded with FWP Motor Boat Certificate and United States Fish and Game monies.

SEN. TASH asked about county matches. **Jim Kropp, Administrator, Enforcement Division, FWP**, said the account was a pass-through account for the purposes of administration. The Department works with counties to access available funds for matching.

Motion/Vote: SEN. NELSON moved that DP407 DO PASS. Motion carried unanimously.

{Tape: 1; Side: A; Approx. Time Counter: 20 - 25}

DP408

Gary Hamel said that DP408 was a request for \$200,000 from various sources to pay wardens for work performed on official holidays, emergency responses, and increased coverage during peak times and seasons. The item is zero-based and comes out of the budget each year.

CHAIRMAN PATTISON asked the amount expended last year. The amount was confirmed at \$197,000. **Jim Kropp** said the cost has to be addressed each year.

Motion/Vote: REP. RIPLEY moved that DP408 DO PASS. Motion carried unanimously.

{Tape: 1; Side: A; Approx. Time Counter: 25 - 30}

DP414

Gary Hamel said that DP414 was a request to restore the authorized level of federal funding from the USCG under the State Recreational Boating Act. The federal funding requires a one-to-one funding match. State revenue is derived from boating decals and the General License account. In FY02 the Division was not successful in recruiting several water safety officers supported by the match funding. A portion of the General License account was redirected to replace field computers with upgraded models and for other unspecified patrols and for response and investigation purposes. This request would restore federal authority to previously authorized level.

Jim Kropp stated that in 2001 due to the extreme drought, the Division spent a lot of time away from the water addressing issues not water-related, and as a result, the USCG authority was not spent. The base portion of the state funding was spent on computer upgrades. In recruiting water safety officers the Division prefers to work with potential wardens which delayed the recruiting.

{Tape: 1; Side: B; Approx. Time Counter: 1 - 5}

SEN. BUTCHER inquired about the hiring processes for wardens and with the emphasis on biology degrees. **Jim Kropp** said a college degree is required. The Division does consider criminal justice degrees and does try to recruit people with law enforcement experience.

CHAIRMAN PATTISON called for a motion on DP414 to restore the funding for the State Recreational Boating Act. No motion was brought forth.

(The Committee took no action on DP414.)

DP415

Gary Hamel said that DP415 was request to restore the FY02 level of funding support for off-highway vehicle enforcement. The funding to enforce off-highway vehicle registration comes from a

portion of revenue generated from the sale of registration decals. In FY02 the funding source was not expended because of vacancies and illness of wardens as well as vacation and compensatory time requirements during seasons when wardens use off-highway vehicles.

Motion/Vote: SEN. NELSON moved that DP415 DO PASS. Motion carried 6-1 with SEN. BUTCHER voting no.

{Tape: 1; Side: B; Approx. Time Counter: 5 - 10}

DP401

Gary Hamel said that DP401 is for the warden trainee program. It is funded from the General License account and would add two FTE training positions created under HB516 during the 2001 Legislature in HB2. The trainee program enhances the ability of FWP to recruit and train potential new wardens from Montana universities by allowing students to receive warden training and attain work after graduation.

Kelly Gorin, OBPP, said that this is a "cat and dog" bill and is already in existence.

Jim Kropp said the decision package was under HB516 last session as a "cat and dog" bill and would be made permanent. **CHAIRMAN PATTISON** commented that it was an increase of one FTE. **Gary Hamel** said that the program is not included in the base and comes forward as a new proposal.

REP. MUSGROVE asked how the compensation for wardens in Montana compares to the surrounding areas. **Jim Kropp** said nation-wide, Montana does not compare, but regionally the wages are comparable. The wages do not compare well with other law enforcement agencies.

CHAIRMAN PATTISON asked how this request related to DP402. **Jim Kropp** said this program is strictly a training program and provides a unique opportunity to work with university students in Montana and recruit young university students. Traditional recruitment often results in candidates with extensive law enforcement experience. This allows the students to work full-time for a summer and then part-time during their senior year at the university. This type of recruitment provides for younger and more diverse officer candidates.

{Tape: 1; Side: B; Approx. Time Counter: 10 - 15}

DP402

Jim Kropp said the DP402 is a request for enforcement staff for boating, snowmobile and off-road vehicles.

SEN. SHEA asked who currently handles the boating, snowmobile and off-road programs addressed in DP402. **Jim Kropp** said wardens are working with local groups, but opportunities exist for work on a larger scale. Grant money is available for safety training for local groups.

{Tape: 1; Side: B; Approx. Time Counter: 15 - 17}

REP. RIPLEY asked if the Department had a preference between DP401 and DP402. **Jim Kropp** said his choice would be DP402.

REP. MUSGROVE asked if DP401 was not passed, would it result in an unfunded mandate. **Gary Hamel** said he would need to refer to statute, but since the bill was a "cat and dog" bill, the bill would probably just drop off.

Doug Schmitz said that HB506 was ongoing and substantive law. The authority in HB506 continues. **Jim Kropp** said he thought the bill could be pushed forward this session.

CHAIRMAN PATTISON called for a motion on DP401 to fund recruitment of warden trainees from Montana universities. No motion was brought forward.

(The Committee took no action on DP401.)

{Tape: 1; Side: B; Approx. Time Counter: 17 - 21}

DP402

Gary Hamel said that DP402 was a request for one FTE and related operation expenses to administer and manage boating, water safety, parks, snowmobiles, and off highway vehicle enforcement program.

SEN. TASH asked about the reference to homeland security funding. **Jim Kropp** said that type of funding would be sought once the program is in place.

CHAIRMAN PATTISON asked about the "redirecting" of the water safety program. **Gary Hamel** said that it was his understanding that the Department would consider redirecting resources from other areas in the Department if the DP was not approved. **Jim Kropp** said administrative efforts would be redirected, but this

program would be more of a long-term effort to focus on issues that are developing in Montana and nation-wide.

Motion/Vote: SEN. SHEA moved that DP402 DO PASS. Motion failed 3-4 with SEN. SHEA, REP. MUSGROVE, and SEN. NELSON voting aye.

{Tape: 1; Side: B; Approx. Time Counter: 21 - 30}

NP405

Gary Hamel said that NP405 which is a request to provide bonus compensation to designated wardens for additional duties performed as field training officers, fire arms instructors and use of force instructors. The officers are used to train and evaluate probationary wardens in a structured field evaluation and training program. **Gary Hamel** said the compensation paid the field officers would be above and beyond any compensation paid through the pay plan increases in HB13.

CHAIRMAN PATTISON asked the status of HB13. **Gary Hamel** stated that it was his understanding that HB13 did not contain any pay increase for State employees at this point. **Jim Kropp** said that this proposal was for \$100 for every 40 hours spent by wardens on additional duties for training. Wardens are spread throughout the state, and no FTE is set aside for training on required peace officer qualifications. The Game Wardens' Union suggested \$100 for every 40 hours of training they perform.

CHAIRMAN PATTISON asked if wardens attended the Law Enforcement Academy. **Jim Kropp** said all wardens attend the Academy. This DP would maintain that training for the required quarterly qualifying for fire arms and other areas.

Motion/Vote: REP. MUSGROVE moved that DP405 DO PASS. Motion failed 3-4 with SEN. SHEA, SEN. NELSON, and REP. MUSGROVE VOTING AYE.

{Tape: 2; Side: A; Approx. Time Counter: 1 - 9}

DP409

Gary Hamel said that DP409 includes a request to fund contracted services and related Department operational costs in the preparation of environmental assessments(EA), environmental impact statements(EIS), compliance inspections and administrative costs incurred in commercial wildlife permitting. The funding was reduced due to the passage of I143 and a reduction in the number of projects anticipated for alternative livestock facilities. The initiative placed a moratorium on the ability to establish new alternative livestock operations or to transfer

existing livestock operations. This proposal would further reduce that amount to \$32,000 from General Licenses account each year of the biennium. It is requested as one-time-only (OTO).

REP. RIPLEY asked how the passage of HB379 would impact this request. **Jim Kropp** said if HB379 passed, the amount of the request would be increased. This request was based on the current status given I143.

Gary Hamel said that in HB2 the appropriation had been \$96,000, and it was a biennial one-time-only appropriation.

CHAIRMAN PATTISON said that passage of this DP would have to be contingent on the passage of HB379. **Jim Kropp** said the passage of HB379 could make a fairly significant difference in the amount of funding needed.

REP. RIPLEY clarified that HB379 did not allow for any expansion of the game farms. **Director Hagener** said the Department understood that HB379 basically grandfathered in those 77 operations and would allow them to do expansions and transfers.

SEN. NELSON asked if HB379 allowed owners to pass along the game farm license to family members. **Director Hagener** said that transfers were allowed within the family in the past. **CHAIRMAN PATTISON** clarified that no new game farm license would be issued but existing licenses could be transferred. **Director Hagener** said existing farms could be expanded, but he was unsure if the facility could be moved to a new location.

Director Hagener said the funding request is for existing operations, and that if HB379 were to pass, the Department would have extended responsibilities and would look at funding at a level equal to the previous biennium.

Motion/Vote: **SEN. NELSON** moved that DP409 ONE-TIME-ONLY RESTRICTED DO PASS. Motion passed unanimously.

{Tape: 2; Side: A; Approx. Time Counter: 8 - 14}

DP416

Gary Hamel said that DP416 was a request for funding for snowmobile enforcement. Monies are generated from snowmobile registration and fuel taxes. The usual spending in the base year did not occur due to low snow levels. If approved the funding would be restored to a level authorized by the 2001 Legislature.

Kelly Gorin said that the request was for a restoration to the base, and it should have been designated present law.

Jim Kropp said the request will restore the previously authorized level of funding. Last winter was a low snow year, and this is a request for a restoration of the base. **Sue Daley, FWP**, said there are two funding sources for the snowmobile program. The program was funded at \$90,000 in the last biennium, and this decision package would restore the funding to that level.

Motion/Vote: SEN. NELSON moved that DP416 RESTRICTED DO PASS. Motion carried unanimously.

{Tape: 2; Side: A; Approx. Time Counter: 14 - 17}

DP503

Gary Hamel began the decision packages for the Wildlife Division with DP503, a request to fund survey and inventory activity for wildlife species for use in setting hunting seasons. The base adjustment would be used in private aircraft rental used in populations monitoring efforts across the state. Funding is 75 percent federal funding. The funding was \$138,500 for the last biennium.

SEN. NELSON said she had recorded \$168,000. **Kelly Gorin** said that amount was the request for this biennium.

Motion/Vote: SEN. NELSON moved that DP503 DO PASS. Motion carried unanimously.

{Tape: 2; Side: A; Approx. Time Counter: 17 - 23}

DP504

Gary Hamel said that DP504 was a request for a grizzly bear conflict specialist for Region 3, Bozeman. The decision package would add .25 FTE in Region 3 to create a full-time position dedicated to managing grizzly bears, black bears and other wildlife in the Yellowstone Ecosystem. Operations funding in the request would be an increase in operations associated with all conflict specialists' positions throughout the Department.

CHAIRMAN PATTISON asked about the difference between Region 1 and Region 3. **Director Hagener** said that Region 1 is located in Kalispell and Region 3 is located in Bozeman. These are field designations the Department uses for administration purposes and for hunting regulations.

SEN. TASH asked for clarification on the request for "all conflict" specialists. **Don Childress, Administrator, Wildlife Division, FWP**, said the operations funding would apply to all regions as those budgets have been running short. In Region 3 funding from a private corporation was lost.

SEN. NELSON asked what the person in this position does. **Don Childress** said the person dealt with nuisance bears and worked with the other agencies that might be involved. In some cases, the bears would be trapped and relocated.

CHAIRMAN PATTISON called for a motion on DP504, funding for a conflict specialist in Region 3. No motion was brought forward.

(The Committee took no action on DP504.)

{Tape: 2; Side: A; Approx. Time Counter: 23 - 30}

DP508

Gary Hamel said that DP508 was a request to restore the OTO funding for mountain lion research at \$155,389 and \$155,362 each year of the biennium. The funding comes from the General License account. The request would fund the research that started in 1997 and increase the personnel by .5 FTE. The Department is requesting the funding be made permanent.

CHAIRMAN PATTISON asked about another bill related to mountain lions that had been heard by the Legislature. **Director Hagener** said that one bill addressed chase season, and the other addressed nonresident hunting of mountain lions.

REP. RIPLEY asked how the funding request was allocated. **Gary Hamel** said the amount for the salary was for the increase of .5 FTE; a .5 FTE already exists in the program. The other items in the request are contracted services, supplies, and travel. The other .5 FTE exists elsewhere in the budget, but because this was a OTO designation, full funding is being requested for the operations expenses including travel.

CHAIRMAN PATTISON asked if the Department did not approve DP508, would the mountain lion research be funded for .5 FTE. **Gary Hamel** said that the .5 FTE is already funded and could be directed to another part of the Department.

Don Childress said that if the Committee did not approve DP508, all the mountain lion research would cease because all the operations expenses for the program were included in the DP.

CHAIRMAN PATTISON asked about the increase in FTE. **Don Childress** said that the project had been designated OTO so that it would be brought back in front of the Committee for review. The request for additional FTE is in part for safety.

SEN. NELSON asked for information on what had been accomplished. **Don Childress** stated that part of the effort was to monitor the lion population. The program is ongoing.

{Tape: 2; Side: B; Approx. Time Counter: 1 - 3}

SEN. TASH asked about the Department's lion conflict policy. **Don Childress** said that the policy is to remove the lion from the population when there is a conflict with people.

REP. RIPLEY asked how much longer the project will take, given it has been ongoing since 1997. **Don Childress** said that areas closed to hunting will be reopened in an effort to study the population. It is unclear if one more biennium would be enough time to complete the study with the scientific rigor needed.

SEN. NELSON asked if the funds were matching funds. **Don Childress** replied that the funding is 25/75 match with federal funds.

Motion/Vote: **SEN. NELSON** moved that DP508 ONE-TIME-ONLY RESTRICTED DO PASS. Motion carried 6-1 with **REP. RIPLEY** voting no.

{Tape: 2; Side: B; Approx. Time Counter: 3 - 10}

DP509

Gary Hamel said that DP509 was the request for additional authority from the increasing moose auction receipts. If approved the additional authority would be used to increase the moose survey to develop population trends. The funding is from the moose auction receipts.

Motion/Vote: **SEN. NELSON** moved that DP509 DO PASS. Motion carried unanimously.

DP511

Gary Hamel said that DP511 is the nongame wildlife program. The request is for increased operations funding that is consistent with funding availability. The increase would be used for survey and inventory of nongame species. Funding is from the Nongame

Wildlife Checkoff account. The request is for \$39,000 for each year of the biennium.

CHAIRMAN PATTISON asked for more information on the program. **Don Childress** said that the funding is derived from a tax return checkoff program. Given the small amount of funding available, the Department works with other entities such as Audubon Society, the American Bird Conservancy, and the Loon Society.

SEN. NELSON asked what the balance of the account is at this time. **Don Childress** said the account stands at \$63,000.

Gary Hamel said that if this appropriation was approved the ending fund balance of the Nongame Wildlife Checkoff account would be \$111,000. The ending balance at the beginning of FY03 was \$65,154, and the projected revenues were \$45,000.

CHAIRMAN PATTISON asked for clarification on the partnership with other entities. **Don Childress** said projects are usually cost-shared with the other entities such as Audubon, American Bird Conservancy.

Motion/Vote: **SEN. NELSON** moved that DP511 DO PASS. Motion failed 3-4 with **SEN. NELSON**, **REP. MUSGROVE**, and **SEN. SHEA** voting aye.

{Tape: 2; Side: B; Approx. Time Counter: 10 - 19}

DP512

Gary Hamel said that DP512 is a Region 1 wildlife conflict specialist. The Department is requesting one FTE to replace a contracted position to respond to concerns with black bears, mountain lions, and moose in the urban wildland interface.

CHAIRMAN PATTISON asked if the FTE was part of the mountain lion research funding from an earlier DP. **Don Childress** said this position would be involved with instances when lions come in conflict with citizens.

REP. RIPLEY asked what the contract position entailed. **Don Childress** said that the administration recommended the personnel come under direct funding given the amount of oversight required.

REP. RIPLEY asked if the contracted personnel would be hired for the regular FTE. **Don Childress** said that was correct. The position had been operating as a modified FTE. **Kelly Gorin** said that when an individual has worked an extended period of time as a contracted personnel, it could be perceived that it was a

regular employee position, and a certain liability can occur.
Gary Hamel said that this DP would bring the FTE on as permanent.

REP. PATTISON asked if the DP was not approved, would the Department continue to contract, possibly with someone else. **Don Childress** said that it would be difficult to return to the contract status given the concern over the liability.

CHAIRMAN PATTISON asked for clarification on the status of the FTE as it currently stands. It was stated that it is currently a modified position. If funded OTO, it would come out of the base and would not be a permanent FTE.

CHAIRMAN PATTISON asked if animal damage control was working in this area. **Don Childress** said that animal damage control did come into effect when livestock damage occurs. This program was directed toward problems arising from the urban wild land interface problems.

Motion/Vote: **REP. MUSGROVE** moved that DP512 ONE-TIME-ONLY RESTRICTED DO PASS. Motion carried unanimously.

{Tape: 2; Side: B; Approx. Time Counter: 19 - 23}

DP513

Gary Hamel said that DP513 is a request to reinstate a Region 4, Great Falls, wildlife biologist position. The workload has increased with the upland bird program and the Block Management program. **Don Childress** said the position had been lost, and the request was to reinstate a position.

CHAIRMAN PATTISON called for a motion on DP513, a request to reinstate a wildlife biologist position in Region 4. No motion was brought forward.

(The Committee took no action on DP513.)

DP514

Gary Hamel said that DP514 is a request to add authority to the Upland Gamebird Habitat program. The funding would be used for the administrative costs of the program. Funding is \$14,000 each year from the Upland Gamebird program.

SEN. NELSON asked for clarification on the request. **Don Childress** said that the request is for authorization to spend the 15 percent administrative costs as allowed by statute.

Motion/Vote: SEN. NELSON moved that DP514 UPLAND GAMEBIRD ADMINISTRATIVE COSTS DO PASS. Motion carried 5-2 with SEN. BUTCHER and REP. RIPLEY voting no.

{Tape: 2; Side: B; Approx. Time Counter: 23 - 30}

DP515

Gary Hamel said that DP515 is a request to increase annual operating authority at wildlife management areas. Funding would be expended for fencing, weed control and monitoring of conservation easements. The request is for \$20,720 for each year of the biennium with funding coming from the Habitat Montana Trust interest.

CHAIRMAN PATTISON asked how much money was in the trust. **Don Childress** said that the trust balance is \$5.8 million, and the interest is \$1.354 million. The funds are specifically designated for operations and maintenance work on easements.

CHAIRMAN PATTISON asked if the trust was set up with parameters. **Don Childress** said that a formula on the spending was set by the Legislature. Currently the appropriation is \$150,000 for the biennium. The request is in addition to that amount.

{Tape: 3; Side: A; Approx. Time Counter: 1 - 4}

Motion/Vote: SEN. NELSON moved that DP515 ONE-TIME-ONLY RESTRICTED DO PASS. Motion carried unanimously.

DP516

Gary Hamel said that DP516 is a request for authority to purchase equipment including a weed sprayer, a mower and a game check trailer. The request is for OTO authority.

Don Childress said that the funding amount requested reflects the removal of the money for a backhoe. The game check trailer is needed because a site that was being used in Region 1 is no longer available to the Department. Funding was apportioned for the purchase depending on the area where the item is needed.

Motion/Vote: SEN. NELSON moved that DP516 ONE-TIME-ONLY RESTRICTED DO PASS. Motion carried unanimously.

{Tape: 3; Side: A; Approx. Time Counter: 4 - 13}

DP518

Gary Hamel said DP518 is a request to increase authority for the printing of hunting and trapping regulations due to an increase in volume and number. **Gary Hamel** said he had an issue with the request. The 2001 Legislature approved a \$20,000 increase for each year of the biennium. At that time the volume of the printed materials had nearly doubled. This request is for a lesser volume but for funding that is 75 percent higher. The 2001 Legislature also authorized increased funding for the internet site.

Don Childress said that the increase in the number of pages is driving the cost. Currently the big game regulations are 112 pages long. The regulations are posted on the internet, but the Department is still responsible to make regulations available to all hunters.

SEN. TASH asked how the Department determined the number of regulations needed. **Don Childress** said that the Department monitors the requests from license agents. The number printed corresponds to the number of licenses sold.

CHAIRMAN PATTISON asked how many Conservation Licenses were sold. **Don Childress** said 460,000 were sold last license year.

SEN. TASH said that a cost-share arrangement with retail merchants had been discussed. **Don Childress** commented that the possibility of paid advertising in the publication had been discussed. The increase in the number of pages and possible advertising conflicts would have to be addressed.

Director Hagener said that a Committee bill addressing advertising had been discussed, but at this time nothing had been drafted.

CHAIRMAN PATTISON said that in light of the proposed bill, he would move this DP at half of the amount requested, and then the Committee could see how the bill progresses. The Committee can revisit this DP in floor action or appropriation action depending on how REP. SALES' bill progresses.

Motion/Vote: REP. PATTISON moved that DP518 AT HALF THE REQUESTED AMOUNT DO PASS. Motion carried unanimously.

{Tape: 3; Side: A; Approx. Time Counter: 13 - 20}

DP519

Gary Hamel said that DP519, Migratory Bird Stamp implementation, was a request to increase authority for operations expenses associated with the implementation of the wetland program under the Wetland Legacy Program. An increase in nonresident fees resulted in additional revenue, most of which has been used in funding capital projects. The increased capital activity created an additional annual operating expense to implement the program. The request is for \$10,000 each year of the biennium.

Motion/Vote: REP. MUSGROVE moved that DP519 DO PASS. Motion carried 4-3 with SEN. BUTCHER, CHAIRMAN PATTISON, and SEN. TASH voting no.

DP502

Gary Hamel said that DP502, coal bed methane coordinator, was a new request for one FTE to develop a mitigation plan for coal bed methane development in southeastern Montana in coordination with private industry. The request is for \$52,000 each year to be funded at \$13,000 from General License account and Dingle-Johnson and Pitman-Robinson funding.

CHAIRMAN PATTISON called for a motion on DP502, funding for a coal bed methane coordinator. No motion was brought forward.

(The Committee took no action on DP502.)

{Tape: 3; Side: A; Approx. Time Counter: 20 - 30}

DP505

Gary Hamel said DP505 is to research weather relationship with wildlife populations. An issue arises from the fact that no other state is involved with a project of this nature. Funding could be authorized as requested, funding could be approved contingent on funding being eliminated from a lower priority project, or the Committee could vote not to approve this request. Funding for an FTE is included in the second year of the request.

CHAIRMAN PATTISON called for a motion on the DP. No motion was brought forward.

(The Committee took no action on DP505.)

DP507

Gary Hamel said that DP507 was a request to replace OTO funding for black bear research. The project entails an evaluation of the black bear management criteria as outlined in the black bear EIS. Funding would be for an additional .5 FTE, grade 11 field

technician, to assist in trapping and monitoring plus an additional \$23,250 in operations cost. The Department is requesting the funding be made permanent.

CHAIRMAN PATTISON said his notes indicated this should be the final time for funding for this project as it was intended to last for six years. **Don Childress** said the project is moving in that direction.

REP. RIPLEY asked what the rent item was for. **Don Childress** said that it appears the rent refers to aviation use. Black bears are occasionally monitored by GPS radio collars.

SEN. NELSON asked why the Department was requesting permanent funding on the project. **Gary Hamel** said he had asked the Department, and they had indicated the projects would be ongoing. If this project was not funded, the Department could redirect funds toward black bear research from other projects that ended.

REP. RIPLEY asked for clarification between DP512 and DP507. **Don Childress** said DP512 specifically addresses removing black bears when they present a human safety issue. DP507 is a research effort addressing population and harvest issues.

CHAIRMAN PATTISON called for a motion on DP507, black bear research project. No motion was brought forth.

(The Committee took no action on DP507.)

DP510

Gary Hamel said that DP510 was a new proposal for an additional \$40,000 each year for operations funding for transplanting and research of big horn sheep. The funding comes from the Mountain Sheep account and is for supplies, materials and aircraft rent.

Don Childress said the funding is from the auction account. The study addresses sheep populations.

{Tape: 3; Side: B; Approx. Time Counter: 1 - 8}

Motion: **REP. MUSGROVE** moved that DP510 DO PASS.

Discussion:

SEN. TASH asked if the \$350 an hour for rent was for a helicopter capable of carrying a sling. **Don Childress** said the contracted work included many considerations, especially safety.

SEN. NELSON asked how many sheep were transplanted. **Don Childress** said the number of transplants varied from 25 to 35, depending on what was available. The process involves the use of a net gun. The mortality rate is very low.

SEN. TASH asked how often the sheep are transplanted. **Don Childress** said the transplanting is balanced across the state with sheep taken from certain herd about once every four or five years.

CHAIRMAN PATTISON asked if the Sun River sheep population was found primarily on state land. **Don Childress** said the sheep are found primarily on federal land. Most of the transplants take place from public lands onto public lands. Prior to any transplant, public input is sought. If private landowners object to the process, no transplant takes place.

Vote: Motion carried 6-1 with **PATTISON** voting no.

{Tape: 3; Side: B; Approx. Time Counter: 8 - 15}

Chronic Wasting Disease

Gary Hamel said that the Department was requesting authority to spend state funds for Chronic Wasting Disease. The efforts would be in cooperation with other states. If federal funds do become available, the Department is asking for authority to adjust federal special appropriation and State Special Revenue by a like amount so that work can be completed with available funding sources. The request is for General License account money, and it is a biennial appropriation.

REP. RIPLEY asked how SB7 from an earlier session was related to this request. **Director Hagener** said that SB7 was related directly to the alternative livestock industry. That funding had to do with the testing of alternative livestock. This request is based on the Department's intent to secure as much of the federal money as possible, should it come available. If no federal funding comes available, the Department must still have funding available to be able to respond if Chronic Wasting Disease shows up in wild populations in the state.

SEN. SHEA asked how successful implementation of this program might be. **Don Childress** said at this point it is unknown. A number of states have implemented a couple of different approaches. The request is specifically for implementing a plan should Chronic Wasting Disease be found in wild populations.

SEN. NELSON asked for confirmation that the funding needed to be in place should the need for it arise. **Don Childress** said that was correct.

Motion/Vote: **SEN. NELSON** moved that BIENNIAL FUNDING FOR RESPONSE TO CHRONIC WASTING DISEASE FOUND IN WILD POPULATIONS DO PASS. Motion carried unanimously.

{Tape: 3; Side: B; Approx. Time Counter: 15 - 22}

DP601

Gary Hamel began the Parks Division budget with DP601, a request to restore snowmobile grant authority that went unspent due to late winter. The appropriation funds grants for the grooming of snowmobile trails

Motion/Vote: **SEN. NELSON** moved that DP601 DO PASS. Motion carried unanimously.

DP602

Gary Hamel said that DP602 is a request for a biennial appropriation of \$332,920 to purchase three used snowmobile trail groomers. Funding is from a rebate of fees paid by users on snowmobile fuel. The funding is used to purchase snowmobile grooming equipment for local snowmobile clubs. The Department receives a share of the total gasoline dealer licence tax revenue to develop and maintain facilities open to the general public at no admission cost, to promote snowmobile safety, for enforcement purposes, and for the control of noxious weeds.

Motion/Vote: **SEN. TASH** moved that DP602 DO PASS. Motion carried unanimously.

DP603

Gary Hamel said that DP603 is a request for authority to administer the Land and Water Conservation Program which gives grants to state and local communities for recreational improvements. Money has been granted to nearly every county in the state. If the program is dropped, the State would be liable to repay part of the earlier funding.

Motion/Vote: **SEN. NELSON** moved that DP603 DO PASS. Motion carried unanimously.

DP606

Gary Hamel said that DP606 is a request for \$4,342 for each year of the biennium to restore base operations to fund daily

operations, cost of security contracts, custodial contracts, mowing, fence repair, weed control, light bills and purchase of gas. This bill is not an increase above the 2002 level and represents parks operations funding that was not spent in the base year.

Motion/Vote: SEN. NELSON moved that DP606 DO PASS. Motion carried unanimously.

{Tape: 3; Side: B; Approx. Time Counter: 22 - 30}

DP607

Gary Hamel said that DP607 was a request for \$35,000 for each year of the biennium from the State Parks' miscellaneous fund to utilize community service programs to assist with park maintenance projects. Modified level FTE are used to supplement current staffing levels for supervising youth volunteer programs.

Motion/Vote: SEN. NELSON moved that DP607 DO PASS. Motion carried unanimously.

DP609

Gary Hamel said that new proposal DP609 is a request for \$174,240 each year of the biennium from the General License account to fund 3.87 FTE and related operation funding for maintenance efforts at fishing access sites. **Gary Hamel** commented that during the 2001 Legislative session, funding for two FTE was approved for this purpose. The Committee may wish to consider if growth in this area of the budget is one of its priorities.

Motion/Vote: SEN. TASH moved that DP609 WITH FUNDING FOR TWO FTE DO PASS. Motion carried 6-1 with REP. RIPLEY voting no.

DP656

Gary Hamel said the Division is requesting a funding switch with a reduction in state revenue authority of \$80,000 in FY04 and FY05.

{Tape: 4; Side: A; Approx. Time Counter: 1 - 5}

Motion/Vote: SEN. NELSON moved that DP656 FUNDING SWITCH DO PASS. Motion carried unanimously.

DP803

Gary Hamel said that the first DP in the Conservation Education Division is DP803, a request for \$20,000 for each year of the biennium to purchase video equipment to replace and update

current equipment. Funding is \$1,000 from the Coal Trust account each year and \$19,000 for General License account each year.

CHAIRMAN PATTISON asked what was being done with the old equipment. **Ron Aasheim, Administrator, Conservation Education Division**, said the equipment is sold through the state surplus property process.

Motion/Vote: SEN. SHEA moved that DP803 DO PASS. Motion failed 3-4 with SEN. SHEA, REP. MUSGROVE, and SEN. NELSON voting aye.

DP804, DP805

Gary Hamel said that the Department is proposing to combine DP804 and DP805 which results in a OTO \$160,000 biennial appropriation to fund pubic shooting range grants.

CHAIRMAN PATTISON asked if it would be possible to add some direction to the Department to ensure that new developments include handicapped accessibility. **Director Hagener** said that provision is being addressed in rules being drafted at this time.

{Tape: 4; Side: A; Approx. Time Counter: 5 - 14}

Motion/Vote: SEN. SHEA moved that DP804 AND DP805 COMBINED FOR A \$160,000 BIENNIAL APPROPRIATION DO PASS. Motion carried unanimously.

DP806

Gary Hamel said that DP806 is a request for a salary adjustment for an increase in personal services expenses for regional information officers. The request is for \$24,000 each year of the biennium with \$22,800 from General License account and the balance from the Coal Trust account to fund salary increase which occurred after the budgeting "snapshot" was taken.

CHAIRMAN PATTISON asked where the salaries were at this time.

Gary Hamel said the individuals will receive their pay increase, but the additional authority is not within the Department budget.

Ron Aasheim said that the adjustments had been made to the salaries, but the funding is not included in the base.

CHAIRMAN PATTISON asked if vacant positions were being funded by this salary adjustment. **Ron Aasheim** said the Conservation Education Division does not have any vacant positions.

Motion/Vote: REP. MUSGROVE moved that DP806 DO PASS. Motion failed 3-4 with REP. MUSGROVE, SEN. SHEA and SEN. NELSON voting aye.

{Tape: 4; Side: A; Approx. Time Counter: 14 - 17}

DP807

Gary Hamel said that DP807 was a request for additional federal authority of \$80,000 annually from the Federal Pitman-Robinson Section 10 Wildlife and Sport-fish Restoration Programs to enhance state hunter education programs. The fund is to be used to enhance existing hunter education programs and may not be used to replace existing federal appropriations for hunter education.

REP. RIPLEY asked how this program was being implemented. **Ron Aasheim** said that the Hunter Behavior Advisory Council recommended programs to enhance hunter safety.

Motion/Vote: REP. MUSGROVE moved that DP807 DO PASS. Motion carried unanimously.

{Tape: 4; Side: A; Approx. Time Counter: 17 - 21}

DP902

Gary Hamel said that DP902 was a request to reduce funding by \$7,826 in the second year of the biennium to account for cyclical costs associated with printing of the statute books.

Motion/Vote: SEN. NELSON moved that DP902 DO PASS. Motion carried unanimously.

PL904

Gary Hamel said that PL904 is a request for \$3,000 a year from the General License account for overtime/comp time costs for clerical and administrative support staff. The Department of Labor rules for comp time payouts require that a certain amount of overtime services be paid.

Motion/Vote: REP. RIPLEY moved that PL904 DO PASS. Motion carried unanimously.

PL907

Gary Hamel said that PL907 is a request for \$16,000 each year of the biennium from the General License account for Fish Wildlife and Park Commission per diem and would restore personal services authority in order to cover commissioner expenses.

Motion/Vote: SEN. SHEA moved that PL907 DO PASS. Motion carried unanimously.

{Tape: 4; Side: A; Approx. Time Counter: 21 - 26}

DP905

Gary Hamel said that DP905 would replace OTO funding at \$30,000 for noncapital office maintenance and small equipment. If not designated as OTO, the funding would go into the base and become permanent.

CHAIRMAN PATTISON asked how much had been spent in the past. **Chris Smith, FWP**, said that \$25,000 had been appropriated and spent. The request is for \$30,000 for each year.

Motion/Vote: SEN. SHEA moved that DP905 ONE-TIME-ONLY RESTRICTED DO PASS. Motion carried unanimously.

{Tape: 4; Side: A; Approx. Time Counter: 26 - 30}

DP908

Gary Hamel said that DP908 was a request to restore the FTE for River Recreational Coordinator. The 2001 Legislature authorized a new program in the Fisheries Division's budget for management planning to address user conflicts on popular bodies of water. Permanent funding was approved for one FTE and related operations costs at \$72,169 and \$72,053 each year of the biennium from General License Account.

Chris Smith said this position was approved in the last Legislature, and the individual was hired. Because that position was approved as OTO, the FTE will terminate at the end of the biennium. The Department has a need for the project, and the only way to continue the program, should the Committee not approve the DP, would be to redirect FTE from elsewhere in the Department.

SEN. TASH stated there was a defined need for these services on the Beaverhead and the Big Hole rivers based on the special regulations for those waters.

{Tape: 4; Side: B; Approx. Time Counter: 1 - 4}

SEN. TASH suggested that funding from reserve accounts could be considered for these types of positions. The Department should consider other funding sources for the DP.

Chris Smith said that he could not think of any other appropriate funding sources. SEN. SPRAGUE is carrying a river recreation bill that would establish a boat decal on nonmotorized boats that would provide appropriate funding for this sort of a program. The Committee could make the DP contingent on that funding source.

Motion/Vote: SEN. SHEA moved that NP508 CONTINGENT ON THE PASSAGE OF BOATING DECAL LEGISLATION BEING CARRIED BY SEN. SPRAGUE DO PASS. Motion carried unanimously.

{Tape: 4; Side: B; Approx. Time Counter: 4 - 7}

DP909

Gary Hamel said that DP909 was a request for \$20,000 each year to be funded with General License dollars for completing an annual assessment of the economic value of hunting, fishing and wildlife related recreation to the State of Montana economy. **Gary Hamel** said he had an issue with the DP and the use of State resources to prepare the study. Other entities prepare similar studies.

CHAIRMAN PATTISON called for a motion on DP909. No motion was brought forward.

(The Committee took no action on DP909.)

DP910

Gary Hamel said that DP910 was a request for \$6,127 and \$6,109 to add .3 FTE for regional support staff for Region 2 in Missoula. Funding is from the General License account.

Motion/Vote: SEN. SHEA moved that DP910 DO PASS. Motion failed 3-4 with SEN. NELSON, SEN. SHEA and REP. MUSGROVE voting aye.

DP911

Gary Hamel said that DP911 was a request for \$1,360,000 with \$160,000 from General License account and the remainder from CIRA funds for surveys, monitoring, and conservation of native fish and wildlife species of special concern. Congress appropriated \$1.4 million in federal funds for use by FWP to conserve native fish and wildlife species. The funding match is one-to-one or one-to-three depending on the nature of the project.

Chris Smith said that the Department was anticipating up to \$900,000 in funding in federal fiscal 2003. This is a biennial request so that the funding covers the two federal fiscal years. Even if all the proposed projects qualify for a one-to-three match, the \$160,000 of state funding would not be adequate to

meet the entire match. Private donations or in-kind donations could be used to make up the difference.

Motion/Vote: REP. PATTISON moved that DP911 ONE-TIME-ONLY RESTRICTED DO PASS. Motion carried unanimously.

DP913

Gary Hamel said that DP913 would fund the Department retirement liability payout. Typically state agencies fund these retirement pay outs from ongoing operations through vacancy savings.

Motion/Vote: SEN. SHEA moved that DP913 RESTRICTED ONE-TIME-ONLY DO PASS. Motion carried 5-2 with REP. RIPLEY and SEN. BUTCHER voting no.

ADJOURNMENT

Adjournment: 12:20 P.M.

REP. JEFF PATTISON, Chairman

ELAINE G. OLSEN, Secretary

JP/EGO

EXHIBIT (jnh23aad)